

FURNITURE AND OFFICE EQUIPMENT ANNUAL INVENTORY

1. GENERAL

1.01 This practice provides the procedures to be followed in the annual inventory of items of furniture and office equipment chargeable to Account Codes 20-C, 30-C and 70-C, as listed in Section V27.701 of the Plant Accounting Handbook.

1.02 This section replaces and updates L43.310, Issue A.

1.03 Each Department shall be responsible for taking the inventory of its furniture and office equipment items.

1.04 Titles used in this section apply to the employee who has supervision over or who performs the particular function or who has been assigned to carry out the duties covered by this section.

2. DATE OF ANNUAL INVENTORY

2.01 The inventory of items of furniture and office equipment is to be taken as of the close of business July 31.

3. PREPARATORY MEASURES PRIOR TO THE INVENTORY

3.01 Several steps should be taken prior to the close of business July 31, the inventory date, to eliminate much wasted time and effort in taking the inventory and reconciliation of differences.

3.02 Each Buildings and Supplies Superintendent, Division Buildings and Supplies Supervisor, and Building Superintendent should order Form S-6333 Inventory Label stickers in the quantity required by all Departments in the building under his jurisdiction. These should be ordered

approximately two months prior to the inventory date so that they are available for distribution when the Inventory Forms are provided from Accounting.

3.03 In June, the employee responsible for taking the inventory at a particular location should determine that all outstanding papers relative to the acquisition or disposition of articles of furniture and office equipment such as packing slip-receipts, local purchase orders, material transfer reports (SN-65), salvage adjustment and retirement reports (S-6312), etc. have been passed to Accounting. This will reduce posting and possible error in taking the inventory since the accounting prepared inventory sheets list all major items on record as of June 30.

3.04 In so far as practicable, transactions during the month of July concerning furniture and office equipment should be held to a minimum so as to minimize uncompleted paper work and reduce reconciliation by Accounting. During the last 15 days of the inventory month, items of furniture and office equipment should not be disposed of or transferred and only items deemed absolutely necessary shall be purchased. Any transactions which do occur during the inventory month should be noted on the field office record for reference for the inventory.

3.05 The employee who is to take the inventory should review sections V27.701 and V27.701.1. This will allow insight as to the correct identification of those items which should be inventoried. Particular attention should be focused for proper handling of such things as: major items not having property record number tags; items in a different departmental

account or physical location than shown on the record and which should be transferred; items having been divided which now require additional property record tags; items out for repair; items which are not the property of the telephone company but are rented or on loan; items which were previously classified major items but are now minor or vice versa.

4. INVENTORY FORMS

4.01 Form SW-2533, Annual Inventory-Furniture and Office Equipment (See Exhibit 1) is used for reporting inventory quantities. This form is a machine printout prepared by Accounting, listing the balance as of June 30 of all major items of furniture and office equipment by department and location. The form shows the item's area code, account code, location, property number, description, mortality date and book cost.

4.02 Accounting will forward, not later than the 12th working day of July, three copies of Form SW-2533 to the Buildings and Supplies Superintendent, the Division Buildings and Supplies Supervisor or to the Buildings Superintendent as appropriate.

4.03 Each of the above shall log the inventory forms showing when received; when passed to the inventorying Department or location; when returned and when forwarded to Accounting. Forward all three copies of the inventory forms of the respective locations to the employee designated by their Department that maintains the field office record.

4.04 The District Office (or other location as prescribed by the Department) will retain the duplicate copies of Form SW-2533. The duplicate copies, after inventory and necessary posting, will become the field office record for the ensuing year. The original and triplicate copies of the form are forwarded to the locations where the inventories are to be made. The triplicate

copies, after the posting of the inventory results, become the location record to which all activity in the ensuing year is posted currently. The original copies, after the posting of inventory results, are used for reconciliation of accounting records.

5. ANNUAL INVENTORY

5.01 The field inventory consists of a physical count made of the items categorized as major items of furniture and office equipment and also a reconciliation of the items against current records as of July 31.

5.02 The employee responsible for taking the inventory shall, upon receipt of the inventory form, make an actual count of all major items of furniture and office equipment used at that location under his Department's account code(s).

5.03 As each item is accounted for on the inventory form, place a check mark opposite the item in the space provided. Any item shown on the inventory form but either is not found at the location indicated, not now considered a major item per V27.701.1, or not owned by the telephone company shall be ruled off the inventory forms. Any major item found and owned by the telephone company shall be added to the inventory forms for that location and the account code for which the item is used.

5.04 In each case where an item is ruled off the inventory form or an additional item is written in, enter in the "Remarks" space the appropriate explanation for the change. Examples of explanations for items ruled off are as follows: "Charged in error to this location, see Form SN-65, Book No. _____, Report No. _____; "Transferred to (location) _____, see Form SN-65, Book No. _____, Report No. _____; Form S-6312 No. _____ submitted; "Reclassified to minor item"; "Taken out of service

before inventory, Form S-6312 not prepared"; and "Lost". In the last two instances, prepare Form S-6312 as per BSP 741-001-903SW and attach it to the inventory forms for processing. Examples of explanations for items added to the inventory form are as follows: "Transferred from (location)", see Form SN-65, Book No. _____, Report No. _____; "Charged in error to Account Code _____, see Form SN-65, Book No. _____, Report No. _____"; "Reclassified to major item"; "New item, see LPO _____; and "Found". In the last instance, prepare Form S-6312 and attach to the inventory forms for processing.

5.05 At the time each item is inventoried, remove, if present, the prior year inventory label Form S-6333 from the item and stick the current year label to it in a location near the property number tag. The use of Form S-6333 will prevent missing an item during the inventory and will also prevent much wasted time and effort re-checking items which were already inventoried. Because of unsightliness and difficulty of removal with age, these labels should be removed after completion of the inventory.

5.06 After the inventory has been completed and the employee responsible for taking the inventory is satisfied that the inventory forms provide an accurate list of the major items of furniture and office equipment at the location specified thereon, the inventorying employee shall sign, date and forward the original copies of the inventory forms to the employee who maintains the field office record. The triplicate copy will be retained for his record.

6. COMPARISON OF INVENTORY WITH FIELD OFFICE RECORDS

6.01 The employee maintaining the field office record will compare the inventory forms when received item by item

with the prior field office record. The new field office record, the duplicate copy of the current year inventory forms, will be posted to include the reference number of the respective disposition papers where necessary. A careful check should also be made for proper handling of all items added or ruled off the inventory forms. All attachments such as SN-65's or S-6312's should be checked or approved, if appropriate, for completeness and accuracy.

6.02 Once the field office record has been posted, and the inventory forms and attachments have been reviewed for accuracy and approved where necessary, the employee making the comparison shall sign and date each sheet of the inventory forms in the space provided opposite the word "checked". After all the attachments, particularly the S-6312 forms, have been properly approved by the respective department, the inventory forms and attachments should then be forwarded to the Division Buildings and Supplies Supervisor, the Buildings and Supplies Superintendent or Buildings Superintendent as appropriate.

6.03 The Buildings Supervisor will review the inventory forms, account for all sheets against his log, and forward them to the Division Accounting Office. In order not to delay Accounting handling, the inventory forms shall be forwarded promptly upon receipt by location and not held pending receipt of all inventory forms. The final inventory forms shall be forwarded in time to reach Accounting not later than August 31.

7. COMPLETING INVENTORY RECONCILIATION

7.01 Disbursement Accounting, upon receipt of the inventory forms, will compare the forms item by item with the office record, and a check will be made to see that the transactions where required are covered by approved Forms SN-65 and S-6312. Where forms

concerned have not been received, Accounting will procure them through the Division Buildings and Supplies Supervisor. Where items are added to the inventory for which prices are not available, the book cost shall be estimated by the Division Buildings and Supplies Supervisor based on the current cost of the same or similar items.

7.02 Final typed statements of inventory differences by Division and in the number of copies as determined locally will be prepared by the Accounting Department on Form SW-2501. A list of items lost or found including value and location will also be prepared by department in that Division for attachment to Form SW-2501. The original copy of the Division statement will be signed as correct by the Division Accounting Manager

and forwarded to the Division Plant Superintendent. The Division Plant Superintendent will approve the Form SW-2501 and return it with the attached lists back to the Accounting Department not later than fifteen days following receipt of the forms from Accounting.

7.03 A summary statement for the area will be prepared and the original with copies of the approved Division statements attached, will be forwarded for approval of the General Accounting Manager, General Plant Manager, and Vice President and General Manager.

7.04 After the inventory statement has been approved, one copy of each Division and Area statement will be forwarded to the Assistant Comptroller - General.

**SOUTHWESTERN BELL TELEPHONE COMPANY
ANNUAL INVENTORY-FURNITURE AND OFFICE EQUIPMENT**

FORM SW-2533
(6-70)

PLANT 720C ANYPLACE WORK CENTER 123 ANYSTREET

INVENTORY AS OF

07 31 70

SHEET NO 1

AREA NUMBER	PROPERTY OR SERIAL NUMBER	DESCRIPTION	ROOM NO. (NOTE 1)	COST	REMARKS
D4683	F0005925	CABINET FILM	66	75 00	
D4683	F0005926	CARPET 9 SQ. YD.	66	150 00	
D4683	F0005927	CHAIR	66	50 00	
D4683	F0005928	CHAIR	66	50 00	
D4683	F0005929	CHAIR	66	35 00	DATA ARE ILLUSTRATIVE ONLY
D4683	F0005930	COUCH	66	125 00	
D4683	F0005931	DESK	66	150 00	
D4683	F0005932	DESK	66	75 00	
D4683	M0005933	DUPLICATOR	66	300 00	
D4683	F0005934	EASEL	66	25 00	
D4683	F0005935	FAN ELECTRIC	66	65 00	
D4683	F0005936	FILE 4 DR	66	37 50	
D4683	F0005937	FILE 4 DR	66	37 50	
D4683	F0005938	FILE CARD 1 DR	66	7 50	MINOR ITEM
D4683	F0005939	HOLDER MAP	66	42 50	
D4683	M0005940	MACHINE ADDING	66	225 00	
D4683	M0005941	MACHINE CALCULATOR	66	315 00	
D4683	M0005942	MACHINE PHOTOCOPY	66	290 00	
D4683	F0005945	RACK HAT COAT	66	25 00	

This inventory was made by an actual physical inspection and count at the site of each item shown herein, all of which items are owned by the telephone company.

FORM SW-2533

EXHIBIT 1

ISS A, SECTION 742-040-901SM